

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 448 be amended to read as follows:

- 1 Page 6, after line 42, begin a new paragraph and insert:
- 2 "SECTION 3. IC 6-1.1-18.5-3, AS AMENDED BY P.L.146-2008,
- 3 SECTION 169, IS AMENDED TO READ AS FOLLOWS
- 4 [EFFECTIVE JANUARY 1, 2010]: Sec. 3. (a) A civil taxing unit that
- 5 is treated as not being located in an adopting county under section 4 of
- 6 this chapter may not impose an ad valorem property tax levy for an
- 7 ensuing calendar year that exceeds the amount determined in the last
- 8 STEP of the following STEPS:
- 9 STEP ONE: **In the case of a civil taxing unit that is not a**
- 10 **county**, add the civil taxing unit's maximum permissible ad
- 11 valorem property tax levy for the preceding calendar year to the
- 12 part of the civil taxing unit's certified share, if any, that was used
- 13 to reduce the civil taxing unit's ad valorem property tax levy under
- 14 STEP EIGHT of subsection (b) for that preceding calendar year.
- 15 **In the case of a civil taxing unit that is a county, add the**
- 16 **county's maximum permissible ad valorem property tax levy**
- 17 **for the preceding calendar year to the sum of:**
- 18 **(A) the part of the county's certified share, if any, that was**
- 19 **used to reduce the county's ad valorem property tax levy**
- 20 **under STEP EIGHT of subsection (b) for that preceding**
- 21 **calendar year; plus**
- 22 **(B) the amount of the county's county option income tax**
- 23 **revenue, if any, that was used under IC 6-3.5-6-32(f)(5) to**
- 24 **reduce the county's ad valorem property tax levy for that**

1           **preceding calendar year.**

2           STEP TWO: Multiply the amount determined in STEP ONE by  
3           the amount determined in the last STEP of section 2(b) of this  
4           chapter.

5           STEP THREE: Determine the lesser of one and fifteen hundredths  
6           (1.15) or the quotient (rounded to the nearest ten-thousandth  
7           (0.0001)), of the assessed value of all taxable property subject to  
8           the civil taxing unit's ad valorem property tax levy for the ensuing  
9           calendar year, divided by the assessed value of all taxable  
10          property that is subject to the civil taxing unit's ad valorem  
11          property tax levy for the ensuing calendar year and that is  
12          contained within the geographic area that was subject to the civil  
13          taxing unit's ad valorem property tax levy in the preceding  
14          calendar year.

15          STEP FOUR: Determine the greater of the amount determined in  
16          STEP THREE or one (1).

17          STEP FIVE: Multiply the amount determined in STEP TWO by  
18          the amount determined in STEP FOUR.

19          STEP SIX: Add the amount determined under STEP TWO to the  
20          amount determined under subsection (c).

21          STEP SEVEN: Determine the greater of the amount determined  
22          under STEP FIVE or the amount determined under STEP SIX.

23          (b) Except as otherwise provided in this chapter, a civil taxing unit  
24          that is treated as being located in an adopting county under section 4 of  
25          this chapter may not impose an ad valorem property tax levy for an  
26          ensuing calendar year that exceeds the amount determined in the last  
27          STEP of the following STEPS:

28               **STEP ONE: In the case of a civil taxing unit that is not a**  
29               **county,** add the civil taxing unit's maximum permissible ad  
30               valorem property tax levy for the preceding calendar year to the  
31               part of the civil taxing unit's certified share, if any, used to reduce  
32               the civil taxing unit's ad valorem property tax levy under STEP  
33               EIGHT of this subsection for that preceding calendar year. **In the**  
34               **case of a civil taxing unit that is an adopting county, add the**  
35               **civil taxing unit's maximum permissible ad valorem property**  
36               **tax levy for the preceding calendar year to the sum of:**

37                   **(A) the part of the civil taxing unit's certified share, if any,**  
38                   **used to reduce the civil taxing unit's ad valorem property**  
39                   **tax levy under STEP EIGHT of this subsection for that**  
40                   **preceding calendar year; plus**

41                   **(B) the amount of the county's county adjusted gross**  
42                   **income tax revenue, if any, that was used under**  
43                   **IC 6-3.5-1.1-26(f)(5) to reduce the county's ad valorem**  
44                   **property tax levy for that preceding calendar year.**

45          STEP TWO: Multiply the amount determined in STEP ONE by  
46          the amount determined in the last STEP of section 2(b) of this

- chapter.
- STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.
- STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).
- STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.
- STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).
- STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.
- STEP EIGHT: Subtract the amount determined under STEP FIVE of subsection (e) from the amount determined under STEP SEVEN of this subsection.
- (c) The amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as applicable, equals the sum of the following:
- (1) If a civil taxing unit in the immediately preceding calendar year provided an area outside its boundaries with services on a contractual basis and in the ensuing calendar year that area has been annexed by the civil taxing unit, the amount paid by the annexed area during the immediately preceding calendar year for services that the civil taxing unit must provide to that area during the ensuing calendar year as a result of the annexation.
  - (2) If the civil taxing unit has had an excessive levy appeal approved under section ~~13(a)(1)~~ **13(1)** of this chapter for the ensuing calendar year, an amount determined by the civil taxing unit for the ensuing calendar year that does not exceed the amount of that excessive levy.
- In all other cases, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals zero (0).
- (d) This subsection applies only to civil taxing units located in a county having a county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as of January 1 of the ensuing calendar year. For each civil taxing unit, the amount to be added to the amount determined in subsection (e), STEP FOUR, is determined using the following formula:
- STEP ONE: Multiply the civil taxing unit's maximum permissible

ad valorem property tax levy for the preceding calendar year by two percent (2%).

STEP TWO: For the determination year, the amount to be used as the STEP TWO amount is the amount determined in subsection (f) for the civil taxing unit. For each year following the determination year the STEP TWO amount is the lesser of:

- (A) the amount determined in STEP ONE; or
- (B) the amount determined in subsection (f) for the civil taxing unit.

STEP THREE: Determine the greater of:

- (A) zero (0); or
- (B) the civil taxing unit's certified share for the ensuing calendar year minus the greater of:
  - (i) the civil taxing unit's certified share for the calendar year that immediately precedes the ensuing calendar year; or
  - (ii) the civil taxing unit's base year certified share.

STEP FOUR: Determine the greater of:

- (A) zero (0); or
- (B) the amount determined in STEP TWO minus the amount determined in STEP THREE.

Add the amount determined in STEP FOUR to the amount determined in subsection (e), STEP THREE, as provided in subsection (e), STEP FOUR.

(e) For each civil taxing unit, the amount to be subtracted under subsection (b), STEP EIGHT, is determined using the following formula:

STEP ONE: Determine the lesser of the civil taxing unit's base year certified share for the ensuing calendar year, as determined under section 5 of this chapter, or the civil taxing unit's certified share for the ensuing calendar year.

STEP TWO: Determine the greater of:

- (A) zero (0); or
- (B) the remainder of:
  - (i) the amount of federal revenue sharing money that was received by the civil taxing unit in 1985; minus
  - (ii) the amount of federal revenue sharing money that will be received by the civil taxing unit in the year preceding the ensuing calendar year.

STEP THREE: Determine the lesser of:

- (A) the amount determined in STEP TWO; or
- (B) the amount determined in subsection (f) for the civil taxing unit.

STEP FOUR: Add the amount determined in subsection (d), STEP FOUR, to the amount determined in STEP THREE.

STEP FIVE: Subtract the amount determined in STEP FOUR from the amount determined in STEP ONE.

(f) As used in this section, a taxing unit's "determination year" means the latest of:

- (1) calendar year 1987, if the taxing unit is treated as being located in an adopting county for calendar year 1987 under section 4 of this chapter;
- (2) the taxing unit's base year, as defined in section 5 of this chapter, if the taxing unit is treated as not being located in an adopting county for calendar year 1987 under section 4 of this chapter; or
- (3) the ensuing calendar year following the first year that the taxing unit is located in a county that has a county adjusted gross income tax rate of more than one-half percent (0.5%) on July 1 of that year.

The amount to be used in subsections (d) and (e) for a taxing unit depends upon the taxing unit's certified share for the ensuing calendar year, the taxing unit's determination year, and the county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of the year preceding the ensuing calendar year. For the determination year and the ensuing calendar years following the taxing unit's determination year, the amount is the taxing unit's certified share for the ensuing calendar year multiplied by the appropriate factor prescribed in the following table:

COUNTIES WITH A TAX RATE OF 1/2%

		Subsection (e)
Year		Factor
For the determination year and each ensuing calendar year following the determination year		0

COUNTIES WITH A TAX RATE OF 3/4%

		Subsection (e)
Year		Factor
For the determination year and each ensuing calendar year following the determination year		1/2

COUNTIES WITH A TAX RATE OF 1.0%

		Subsection (d)	Subsection (e)
Year		Factor	Factor
For the determination year		1/6	1/3
For the ensuing calendar year following the determination year		1/4	1/3
For the ensuing calendar year following the determination year by two (2) years		1/3	1/3

(g) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a civil taxing unit that is located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular

year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30. Notwithstanding any provision in this section or any other section of this chapter and except as provided in subsection (h), the maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year for a civil taxing unit subject to this section is equal to the civil taxing unit's maximum permissible ad valorem property tax levy for the current calendar year.

(h) This subsection applies only to property taxes first due and payable after December 31, 2007. In the case of a civil taxing unit that:

(1) is partially located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30; and

(2) is partially located in a county that is not described in subdivision (1);

the department of local government finance shall, notwithstanding subsection (g), adjust the portion of the civil taxing unit's maximum permissible ad valorem property tax levy that is attributable (as determined by the department of local government finance) to the county or counties described in subdivision (2). The department of local government finance shall adjust this portion of the civil taxing unit's maximum permissible ad valorem property tax levy so that, notwithstanding subsection (g), this portion is allowed to increase as otherwise provided in this section. If the department of local government finance increases the civil taxing unit's maximum permissible ad valorem property tax levy under this subsection, any additional property taxes imposed by the civil taxing unit under the adjustment shall be paid only by the taxpayers in the county or counties described in subdivision (2)."

Page 9, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 6. IC 6-3.5-1.1-26, AS AMENDED BY P.L.146-2008, SECTION 333, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. (a) A county council may impose a tax rate under this section to provide property tax relief to political subdivisions in the county. A county council is not required to impose any other tax before imposing a tax rate under this section.

(b) A tax rate under this section may be imposed in increments of five hundredths of one percent (0.05%) determined by the county council. A tax rate under this section may not exceed one percent (1%).

(c) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(d) If a county council adopts an ordinance to impose or increase a tax rate under this section, the county auditor shall send a certified

copy of the ordinance to the department and the department of local government finance by certified mail.

(e) A tax rate under this section may be imposed, increased, decreased, or rescinded by a county council at the same time and in the same manner that the county council may impose or increase a tax rate under section 24 of this chapter.

(f) Tax revenue attributable to a tax rate under this section may be used for any combination of the following purposes, as specified by ordinance of the county council:

(1) Except as provided in subsection (j), the tax revenue may be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year. A county council may not adopt an ordinance determining that tax revenue shall be used under this subdivision to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council has done the following:

(A) Made available to the public the county council's best estimate of the amount of property tax replacement credits to be provided under this subdivision to homesteads, other residential property, commercial property, industrial property, and agricultural property.

(B) Adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the tax rate under this section will receive a property tax replacement credit that is funded with tax revenue from the tax rate under this section.

(2) The tax revenue may be used to uniformly increase (before January 1, 2009) or uniformly provide (after December 31, 2008) the homestead credit percentage in the county. The homestead credits shall be treated for all purposes as property tax levies. The homestead credits do not reduce the basis for determining the state homestead credit under IC 6-1.1-20.9 (before its repeal). The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1. The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide homestead credits in that year.

(3) The tax revenue may be used to provide local property tax

1 replacement credits at a uniform rate for all qualified residential  
 2 property (as defined in IC 6-1.1-20.6-4 before January 1, 2009,  
 3 and as defined in section 1 of this chapter after December 31,  
 4 2008) in the county. The local property tax replacement credits  
 5 shall be treated for all purposes as property tax levies. The county  
 6 auditor shall determine the local property tax replacement credit  
 7 percentage for a particular year based on the amount of tax  
 8 revenue that will be used under this subdivision to provide local  
 9 property tax replacement credits in that year.

10 (4) This subdivision applies only to Lake County. The Lake  
 11 County council may adopt an ordinance providing that the tax  
 12 revenue from the tax rate under this section is used for any of the  
 13 following:

14 (A) To reduce all property tax levies imposed by the county by  
 15 the granting of property tax replacement credits against those  
 16 property tax levies.

17 (B) To provide local property tax replacement credits in Lake  
 18 County in the following manner:

19 (i) The tax revenue under this section that is collected from  
 20 taxpayers within a particular municipality in Lake County  
 21 (as determined by the department based on the department's  
 22 best estimate) shall be used only to provide a local property  
 23 tax credit against property taxes imposed by that  
 24 municipality.

25 (ii) The tax revenue under this section that is collected from  
 26 taxpayers within the unincorporated area of Lake County (as  
 27 determined by the department) shall be used only to provide  
 28 a local property tax credit against property taxes imposed by  
 29 the county. The local property tax credit for the  
 30 unincorporated area of Lake County shall be available only  
 31 to those taxpayers within the unincorporated area of the  
 32 county.

33 (C) To provide property tax credits in the following manner:

34 (i) Sixty percent (60%) of the tax revenue under this section  
 35 shall be used as provided in clause (B).

36 (ii) Forty percent (40%) of the tax revenue under this section  
 37 shall be used to provide property tax replacement credits  
 38 against property tax levies of the county and each township  
 39 and municipality in the county. The percentage of the tax  
 40 revenue distributed under this item that shall be used as  
 41 credits against the county's levies or against a particular  
 42 township's or municipality's levies is equal to the percentage  
 43 determined by dividing the population of the county,  
 44 township, or municipality by the sum of the total population  
 45 of the county, each township in the county, and each  
 46 municipality in the county.



The Lake County council shall determine whether the credits under clause (A), (B), or (C) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this subdivision. Except as provided in subsection (g), the tax revenue under this section that is used to provide credits under this subdivision shall be treated for all purposes as property tax levies.

**(5) This subdivision does not apply to Lake County. The tax revenue may be used to reduce one (1) or more property tax levies imposed by the county. A county council must adopt an ordinance providing for the reduction of each property tax levy imposed by the county to which the tax revenue will be applied.**

The county council may before October 1 of a year adopt an ordinance changing the purposes for which tax revenue attributable to a tax rate under this section shall be used in the following year.

(g) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

- (1) the maximum income tax rate that may be imposed in a county under section 2 of this chapter or any other provision of this chapter;
- (2) the maximum permissible property tax levy under STEP EIGHT of IC 6-1.1-18.5-3(b);
- (3) before January 1, 2009, the total county tax levy under IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5) (before the repeal of those provisions); or
- (4) the credit under IC 6-1.1-20.6.

(h) Tax revenue under this section shall be treated as a part of the receiving civil taxing unit's or school corporation's property tax levy for that year for purposes of fixing the budget of the civil taxing unit or school corporation and for determining the distribution of taxes that are distributed on the basis of property tax levies.

(i) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(j) A taxpayer that owns an industrial plant located in Jasper County is ineligible for a local property tax replacement credit under this section against the property taxes due on the industrial plant if the assessed value of the industrial plant as of March 1, 2006, exceeds twenty percent (20%) of the total assessed value of all taxable property in the county on that date. The general assembly finds that the provisions of this subsection are necessary because the industrial plant

1 represents such a large percentage of Jasper County's assessed  
2 valuation.

3 SECTION 42. IC 6-3.5-6-32, AS AMENDED BY P.L.146-2008,  
4 SECTION 343, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) A county income tax  
6 council may impose a tax rate under this section to provide property tax  
7 relief to political subdivisions in the county. A county income tax  
8 council is not required to impose any other tax before imposing a tax  
9 rate under this section.

10 (b) A tax rate under this section may be imposed in increments of  
11 five hundredths of one percent (0.05%) determined by the county  
12 income tax council. A tax rate under this section may not exceed one  
13 percent (1%).

14 (c) A tax rate under this section is in addition to any other tax rates  
15 imposed under this chapter and does not affect the purposes for which  
16 other tax revenue under this chapter may be used.

17 (d) If a county income tax council adopts an ordinance to impose or  
18 increase a tax rate under this section, the county auditor shall send a  
19 certified copy of the ordinance to the department and the department  
20 of local government finance by certified mail.

21 (e) A tax rate under this section may be imposed, increased,  
22 decreased, or rescinded at the same time and in the same manner that  
23 the county income tax council may impose or increase a tax rate under  
24 section 30 of this chapter.

25 (f) Tax revenue attributable to a tax rate under this section may be  
26 used for any combination of the following purposes, as specified by  
27 ordinance of the county income tax council:

28 (1) The tax revenue may be used to provide local property tax  
29 replacement credits at a uniform rate to all taxpayers in the  
30 county. The local property tax replacement credits shall be treated  
31 for all purposes as property tax levies. The county auditor shall  
32 determine the local property tax replacement credit percentage for  
33 a particular year based on the amount of tax revenue that will be  
34 used under this subdivision to provide local property tax  
35 replacement credits in that year. A county income tax council may  
36 not adopt an ordinance determining that tax revenue shall be used  
37 under this subdivision to provide local property tax replacement  
38 credits at a uniform rate to all taxpayers in the county unless the  
39 county council has done the following:

40 (A) Made available to the public the county council's best  
41 estimate of the amount of property tax replacement credits to  
42 be provided under this subdivision to homesteads, other  
43 residential property, commercial property, industrial property,  
44 and agricultural property.

45 (B) Adopted a resolution or other statement acknowledging  
46 that some taxpayers in the county that do not pay the tax rate

- 1           under this section will receive a property tax replacement  
2           credit that is funded with tax revenue from the tax rate under  
3           this section.
- 4           (2) The tax revenue may be used to uniformly increase (before  
5           January 1, 2009) or uniformly provide (after December 31, 2008)  
6           the homestead credit percentage in the county. The homestead  
7           credits shall be treated for all purposes as property tax levies. The  
8           homestead credits do not reduce the basis for determining the  
9           state homestead credit under IC 6-1.1-20.9 (before its repeal). The  
10          homestead credits shall be applied to the net property taxes due  
11          on the homestead after the application of all other assessed value  
12          deductions or property tax deductions and credits that apply to the  
13          amount owed under IC 6-1.1. The department of local government  
14          finance shall determine the homestead credit percentage for a  
15          particular year based on the amount of tax revenue that will be  
16          used under this subdivision to provide homestead credits in that  
17          year.
- 18          (3) The tax revenue may be used to provide local property tax  
19          replacement credits at a uniform rate for all qualified residential  
20          property (as defined in IC 6-1.1-20.6-4 before January 1, 2009,  
21          and as defined in section 1 of this chapter after December 31,  
22          2008) in the county. The local property tax replacement credits  
23          shall be treated for all purposes as property tax levies. The county  
24          auditor shall determine the local property tax replacement credit  
25          percentage for a particular year based on the amount of tax  
26          revenue that will be used under this subdivision to provide local  
27          property tax replacement credits in that year.
- 28          (4) This subdivision applies only to Lake County. The Lake  
29          County council may adopt an ordinance providing that the tax  
30          revenue from the tax rate under this section is used for any of the  
31          following:
- 32                  (A) To reduce all property tax levies imposed by the county by  
33                  the granting of property tax replacement credits against those  
34                  property tax levies.
- 35                  (B) To provide local property tax replacement credits in Lake  
36                  County in the following manner:
- 37                          (i) The tax revenue under this section that is collected from  
38                          taxpayers within a particular municipality in Lake County  
39                          (as determined by the department based on the department's  
40                          best estimate) shall be used only to provide a local property  
41                          tax credit against property taxes imposed by that  
42                          municipality.
- 43                          (ii) The tax revenue under this section that is collected from  
44                          taxpayers within the unincorporated area of Lake County (as  
45                          determined by the department) shall be used only to provide  
46                          a local property tax credit against property taxes imposed by

the county. The local property tax credit for the unincorporated area of Lake County shall be available only to those taxpayers within the unincorporated area of the county.

(C) To provide property tax credits in the following manner:

(i) Sixty percent (60%) of the tax revenue under this section shall be used as provided in clause (B).

(ii) Forty percent (40%) of the tax revenue under this section shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

The Lake County council shall determine whether the credits under clause (A), (B), or (C) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this subdivision. Except as provided in subsection (g), the tax revenue under this section that is used to provide credits under this subdivision shall be treated for all purposes as property tax levies.

**(5) This subdivision does not apply to Lake County. The tax revenue may be used to reduce one (1) or more property tax levies imposed by the county. A county council must adopt an ordinance providing for the reduction of each property tax levy imposed by the county to which the tax revenue will be applied.**

The county income tax council may before October 1 of a year adopt an ordinance changing the purposes for which tax revenue attributable to a tax rate under this section shall be used in the following year.

(g) The tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other provision of this chapter;

(2) the maximum permissible property tax levy under STEP EIGHT of IC 6-1.1-18.5-3(b); or

(3) the credit under IC 6-1.1-20.6.

(h) Tax revenue under this section shall be treated as a part of the

- 1 receiving civil taxing unit's or school corporation's property tax levy for  
2 that year for purposes of fixing the budget of the civil taxing unit or  
3 school corporation and for determining the distribution of taxes that are  
4 distributed on the basis of property tax levies.
- 5 (i) The department of local government finance and the department  
6 of state revenue may take any actions necessary to carry out the  
7 purposes of this section.
- 8 (j) Notwithstanding any other provision, in Lake County the county  
9 council (and not the county income tax council) is the entity authorized  
10 to take actions concerning the tax rate under this section."
- 11 Renumber all SECTIONS consecutively.  
(Reference is to ESB 448 as printed April 10, 2009.)

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Representative Thompson